J.C. Penney Company Incorporated Annual Report -- 1929 *America's Corporate Foundation*; 1929; ProQuest Historical Annual Reports pg. 1



J. C. Penney Company Incorporated

Financial Statement



Operating One Thousand Three Hundred and Ninety Five Stores.

December 31, 1929.



New York, N. Y. February 19, 1930.

To the Stockholders of the J. C. PENNEY COMPANY:

We are presenting you herewith the statement of the J. C. Penney Company as of December 31, 1929.

This report reveals the sound position of our Company and the excellent progress made since the last annual statement.

In 1929, you will note, the sales volume totaled over \$209,000,000 as compared with \$176,000,000 for 1928. The amount of net profit was more than one and one quarter million dollars larger than in 1928. This profit showing was made even in the face of an unusually heavy expansion program with its attendant expense.

Approximately 375 new units were added to the Company in 1929—nearly twice the number that have been established by this Company in any previous year.

These new stores, together with the older group, are now in a position not only to add materially to our sales wolume but to show an excellent net profit, since the initial expense of their opening was defrayed in 1929.

We are therefore anticipating excellent results for 1930 with sales of \$245,000,000. Undoubtedly you will find real gratification in studying the figures for 1929. We bespeak your full support to rake 1930 a banner year for the J. C. Penney Company.

Respectfully submitted,

E. C. SAMS President.

J. C. PENNEY COMPANY

Income Account For Year Ended December 31, 1929.

Sales		\$209,690,417.77
Cost of Merchandise Sold, Selling and		4205,050,12717
General Expenses and Reserve for		
Federal Taxes	\$197,061,103.51	
Depreciation and Amortization	1,433,300.90	198,494,404.41
	_	11,196,013.36
Discount on Purchases and Miscellaneou		833,578.85
Net Profit before Preferred Stock Di	vidends	12,029,592.21
Add 1929 Profits of Subsidiaries		383,785.94
Too Destanced Start Dividends maid for	1020	12,413,378.15
Less Preferred Stock Dividends paid fre Earnings	om 1929	1,133,514.00
Transferred to Surplus	10,779,864.15	1,233,321.00
Transferred to Reserve for Contingencie		
Z. Z		\$11 270 0CA 158
		\$11,279,864.15
Note:		
*Applicable to Classified Common Stock	89,126.56	
Applicable to Common, No Par Stock	11,190,737.59	
Total	\$11,279,864.15	7
-		
SURPLUS ACCOUNT		
SURPLUS ACCOUNT		
SURPLUS ACCOUNT Surplus at December 31, 1928		\$17,921,280.04
	r 31, 1928	\$17,921,280.04 1,159,826.28
Surplus at December 31, 1928	r 31, 1928	• • •
Surplus at December 31, 1928	r 31, 1928	1,159,826.28
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe	r 31, 1928	1,159,826.28 19,081,106.32 13,770.38
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe	r 31, 1928	1,159,826.28 19,081,106.32
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year	r 31, 1928 \$4,772,746.49	1,159,826.28 19,081,106.32 13,770.38
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends:	,	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends: In Cash	\$4,772,746.49	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94 4,841,427.93
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends: In Cash In Stock (as Stock Conversion) Add Net Income for 1929 after deducting Preferred Stock Dividends and	\$4,772,746.49	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends: In Cash In Stock (as Stock Conversion) Add Net Income for 1929 after deducting Preferred Stock Dividends and Amount transferred to Reserve for	\$4,772,746.49	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94 4,841,427.93 14,225,908.01
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends: In Cash In Stock (as Stock Conversion) Add Net Income for 1929 after deducting Preferred Stock Dividends and Amount transferred to Reserve for Contingencies	\$4,772,746.49	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94 4,841,427.93 14,225,908.01
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Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends: In Cash In Stock (as Stock Conversion) Add Net Income for 1929 after deducting Preferred Stock Dividends and Amount transferred to Reserve for Contingencies Surplus at December 31, 1929	\$4,772,746.49 68,681.44	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94 4,841,427.93 14,225,908.01
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends: In Cash In Stock (as Stock Conversion) Add Net Income for 1929 after deducting Preferred Stock Dividends and Amount transferred to Reserve for Contingencies Surplus at December 31, 1929 Note:	\$4,772,746.49	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94 4,841,427.93 14,225,908.01
Surplus at December 31, 1928 Add Surplus of Subsidiaries at Decembe Net Sundry Deductions during Year Less Common Stock Dividends: In Cash In Stock (as Stock Conversion) Add Net Income for 1929 after deducting Preferred Stock Dividends and Amount transferred to Reserve for Contingencies Surplus at December 31, 1929 Note: †Applicable to Classified Common Stock	\$4,772,746.49 68,681.44 63,027.05	1,159,826.28 19,081,106.32 13,770.38 19,067,335.94 4,841,427.93 14,225,908.01



Balance Sheet

As at December 31, 1929.

ASSETS

Cash in Banks and on Hand		\$ 7,133,070.02
Merchandise-at Cost or Market, whichever is lower		49,901,780.82
		57,034,850.84
Treasury-Common Stock, at Cost (below Market)		1,466,564.00
Stock Subscription Contracts for Capital Stock		, ,
held for Employees, less payments made		70,184.67
Accounts Receivable, Advances, Etc.:		
Subsidiary Companies	\$2,518,149.10	
Miscellaneous	227,829.83	2,745,978.93
Investment in Subsidiary Companies (including		
Undistributed Profits) at Book Value show	n .	1 504 109 22
by Subsidiaries	0.406.720.02	1,594,108.22
Land and Buildings—at Cost	2,406,738.82	
Less Depreciation	46,167.67	
n 1	2,360,571.15	
Furniture and Fixtures, less Depreciation	8,768,555.26	
	11,129,126.41	
Improvements and Leaseholds, less Amortization	4,508,784.78	15,637,911.19
		\$78,549,597.85
LIABILITIES		
Accounts Payable, not yet due		\$ 7,599,414.86
Reserve for Federal Taxes		1,665,221.54
ALEBERY C TOT I CHOIM A MACO		9,264,636.40
Mortgages Payable		136,500.00
Reserves:		200,500.00
Reserves for Fire Losses, Etc. and Employees	3'	
Death Benefit Fund	\$1,234,530.82	
Reserve for Contingencies	1,300,000.00	2,534,530.82
Capital Stock:		
Preferred 6% Cumulative		
(Authorized \$30,000,000.00)	19,692,100.00	
Classified Common	510 166 4B	
(Authorized \$5,000,000.00)	540,166.67	
Common, No Par—2,399,661 Shares (Authorized 3,000,000 Shares)	21,375,891.80	41,608,158.47
Surplus	2-13/3/071/00	25,005,772.16
Contingent Liabilities—None.		
		\$78,549,597.85
		Ψ1033T73371.03

CERTIFICATE OF AUDITORS

We have examined the books and accounts of the J. C. Penney Company for the purpose of verifying the assets and liabilities as at December 31, 1929. We have made a test check of the physical existence of the merchandles stock at a sufficient number of the Company's stores to satisfy ourselves as to the correctners of the inventories; we have also made adequate tests to satisfy ourselves that the basis of valuation is at cost or market, whichever its lower.

We hereby certify that, in our opinion, the foregoing Balance Sheet, which is in agreement with the books, sets forth the financial position of the Company as at December 31, 1929.

New York, N. Y.. February 19, 1930.

PEAT, MARWICK, MITCHELL & CO.



OFFICERS

J. C. PENNEY, Chairman of the Board

E. C. SAMS President

GEO. H. BUSHNELL Vice-President

J. M. McDONALD 2nd Vice-President

J. I. H. HERBERT 3rd Vice-President and Treasurer

L. A. BAHNER Secretary
R. W. TROWN Comptroller

DIRECTORS

J. C. PENNEY, Chairman

E. C. SAMS D. G. McDONALD

GEO. H. BUSHNELL R. H. OTT

J. M. McDONALD L. V. DAY

J. I. H. HERBERT G. H. CROCKER

WILK HYER L. A. BAHNER